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BULLETIN 21-05

To: All Health Carriers Offering Individual Health Benefit Plans

Re: COVID-19 State of Emergency: Renewal of Suspension of Individual Health Benefit Plan Cancellations and Nonrenewals Due to Nonpayment of Premium.

Date: January 26, 2021

On March 5, 2020, Governor Larry Hogan issued a Proclamation declaring a State of Emergency and that a Catastrophic Health Emergency exists in the State of Maryland. The Proclamation was renewed on April 10, 2020, May 6, 2020, June 3, 2020, July 1, 2020, July 30, 2020, August 10, 2020, September 8, 2020, October 6, 2020, October 29, 2020, November 25, 2020, December 23, 2020, and January 21, 2021. On August 11, 2020, the Commissioner issued Bulletin 20-30 (Revised), which required health carriers to suspend health benefit plan cancellations and nonrenewals under certain circumstances for a period of 60 days from July 30, 2020. The Commissioner issued Bulletin 20-39 on September 28, 2020 and Bulletin 20-42 on November 25, 2020 to renew to requirement for additional 60-day periods.

In consideration of the renewal of the Governor's Proclamation and pursuant to § 2-115 of the Insurance Article and COMAR 31.01.02.05 and 06, the Commissioner is invoking her emergency powers to reactivate COMAR 01.02.06A(1), which provides that the Commissioner may require health carriers to: "Suspend health benefit cancellations and nonrenewals."

Accordingly, effective immediately, health carriers are to suspend health benefit cancellations and nonrenewals of individual health policies for non-payment of premium, unless the conditions set forth below are satisfied.

The Commissioner is activating this requirement only with respect to individual health benefit plans, as defined in § 15-1301 of the Insurance Article. Additionally, the Commissioner is only requiring carriers to suspend cancellations and nonrenewals due to nonpayment of premium. Cancellations and nonrenewals for reasons other than nonpayment of premium that are otherwise permitted by the terms of the contract and applicable law are still permitted.

Notwithstanding the above, a health carrier is permitted to cancel or non-renew an individual health benefit plan due to nonpayment of premium if:

- Open Enrollment or the Coronavirus Emergency Special Enrollment Period offered by the Maryland Health Benefit Exchange (“Exchange”) is in effect; AND
- The health carrier has complied with the grace period and notice requirements set forth in the policy being terminated; AND
- The health carrier provides an additional written notice of date of termination at least 10-days prior to the effective date of termination that includes a disclosure statement in at least 12-point bold type advising the member that the Exchange is offering a Coronavirus Emergency Special Enrollment Period, that subsidies for the payment of premium may be available, if the member is eligible; that coverage through the Exchange does not depend on the payment of any premium owed under the policy being terminated; and providing the web address and toll-free number for the Maryland Health Connection; AND
- The termination is effective on the last day of a month.

This regulation shall be in effect for a period of 60 days from January 26, 2021, at which time the Commissioner will determine whether to renew the Bulletin. The regulations previously activated in Bulletins 20-05 and 20-36 shall remain in effect until the emergency declaration is lifted or the Commissioner issues a Bulletin deactivating the regulations at issue.

Questions about this Bulletin may be directed to the Life & Health Unit of the Maryland Insurance Administration at 410-468-2170.

KATHLEEN A. BIRRANE
Commissioner

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